Task Force has been set up by the Government. However, based on the recommendation of a Working Group, the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been enacted. The Act has empowered the Banks and Financial Institutions to take possession of the secured assets of defaulters without Intervention of the Courts.

Payment of interest on debts

4088. SHRI SURESH PACHOURI : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) whether half of the revenue receipts are used for payment of interest on debts;

(b) if so, the details thereof; and

(c) the steps taken by Government to reduce debt burden ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANAND RAO VITHOBA ADSUL) :(a) and (b) Payment of interest as percentage of revenue receipts is estimated to decline from 49% in 2002-03 (RE) to 48.5% in 2003-04 (BE).

(c) Government has been following a comprehensive strategy to increase revenue receipts and achieve moderation in growth of expenditure so as to reduce debt burden.

Reduction in customs duty on imported wine

4089. SHRI SURESH PACHOURI : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) whether Government in the Union Budget for 2003-2004 has reduced customs duty on imported wine whereas excise duty on edible oil has been increased; and

(b) if so, the rationale behind such a move ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN) : (a) In the budget for 2003-04, basic customs duty on wine has not been changed. However,

additional duty of customs (CVD) on wine has been rationalized so as to reduce duty on wines of c.i.f. value more than $ 40 per case of 9 litres from 50% to 20%. Excise duty @ 8% has been imposed on refined edible oils, branded and packed in unit containers, for retail sale.

(b) The above changes have been carried out on considerations of rationalization of tax structure and revenue mobilization.

Embezzlement of bank money by PSUs in U.P.

†4090. SHRI MOTILAL VORA : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) the number of incidents of embezzlement of bank money by PSUs in Uttar Pradesh during the last three years along with amount involved in it;

(b) whether such incidents of embezzlement of bank money by PSUs have also occurred in other States;

(c) if so, the details thereof;

(d) whether Government will fix any guidelines for extending loan to loss making PSUs and other institutions so that their money should not be lost;

(e) if so, by when; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) to (c) The Reserve Bank of India (RBI) has reported that they do not have any specific information in respect of Public Sector Undertakings (PSUs) which have been involved in embezzlement of funds of banks. The RBI has reported that 39 PSUs units on all India basis having limits of Rs. 10 crores and above have become Non-Performing Assets (NPAs) with aggregate outstanding balance of Rs. 564.50 crores out of total sanctioned limit of Rs. 796.00 crores.

(d) to (f) Banks have been advised by RBI to frame loan/lending policy and lay down detailed operational guidelines for appraisal and sanction of loan proposals. While granting loans/advances, banks are required to satisfy themselves about the genuineness/acceptability of the credit needs of the borrowers and they should not be guided solely by the availability of security.

†Original notice of the question was received in Hindi.